

THE SCHOOL ADMINISTRATOR

and Uniform Compliance Guidelines
ISSUED BY STATE BOARD OF ACCOUNTS

Volume 170A

June 2005

NEW LAWS AFFECTING SCHOOL CORPORATIONS

The following is a Digest of some of the laws passed by the 2005 Regular Session of the General Assembly affecting school corporations. Please note the effective dates. Some of the laws do not pertain directly to school corporations but are included in the Digest for ready reference to the covered subject matter.

The Digest is not intended as an expression of legal interpretation. The Digest is also not intended to be all inclusive. References in the Digest will be to the Indiana Code in the following form (Amends IC 21-2-15-4) (Amends Indiana Code, Title 21, Article 2, Chapter 15, Section 4).

PUBLIC LAW 1 - HOUSE ENROLLED ACT 1288 - EFFECTIVE JULY 1, 2005. TITLE 20 RECODIFICATION. Recodifies Title 20 concerning education and libraries.

PUBLIC LAW 4 – HOUSE ENROLLED ACT 1003 - EFFECTIVE FEBRUARY 9, 2005 AND JULY 1, 2005 INDIANA ECONCMIC DEVELOPMENT CORPORATION. Amends and adds to various sections of the Indiana Code creating the Indiana Economic Development Corporation.

PUBLIC LAW 5 - HOUSE ENROLLED ACT 1022 - EFFECTIVE FEBRUARY 17, 2005. MILITARY BASE PLANNING COUNCIL. Adds IC 4-3-21 to create the Military Base Planning Council. Provides the Council should identify opportunities for collaboration among political subdivisions.

PUBLIC LAW 9 - HOUSE ENROLLED ACT 1540 - EFFECTIVE JULY 1, 2005. INDIANA ABRAHAM LINCOLN BICENTENNIAL COMMISSION. Establishes the Indiana Abraham Lincoln Bicentennial Commission to provide for among other duties assistance to local governments with planning the Abraham Lincoln Bicentennial.

PUBLIC LAW 15 - SENATE ENROLLED ACT 265. EFFECTIVE JULY 1, 2005. APPROPRIATION OF GRANT FUNDS. Adds IC 6-1.1-18-7.5 to provide notwithstanding any other law, the appropriating body of a political subdivision may appropriate any funds received as a grant from the state or the federal government without using the additional appropriation procedures under section 5 of this chapter, if the funds are provided or designated by the state or the federal government as a reimbursement of an expenditure made by the political subdivision.

PUBLIC LAW 22 - SENATE ENROLLED ACT 56 - EFFECTIVE APRIL 15, 2005. DEPARTMENT OF HOMELAND SECURITY. Adds IC 10-19 to establish the State Department of Homeland Security.

PUBLIC LAW 25 - HOUSE ENROLLED ACT 1653 - EFFECTIVE APRIL 14, 2005. SHOVEL READY SITE DEVELOPMENT CENTER. Adds IC 4-4-11 concerning the Shovel Ready Site Development Center which shall, in cooperation with political subdivisions, create programs to enable political subdivisions to obtain all or part of any permits to create sites that are ready for economic development.

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PUBLIC LAW 38 - HOUSE ENROLLED ACT 1126 - EFFECTIVE JULY 1, 2005. NONPROFIT LIABILITY. Amends IC 34-30-4-2 concerning volunteer participation in a nonprofit entity.

PUBLIC LAW 40 - HOUSE ENROLLED ACT 1302 - EFFECTIVE JULY 1, 2005 SEEDS. Adds IC 15-4-1-16 to provide (a) Except as provided in subsection (c), a political subdivision (as defined in IC 36-1-2-13) may not regulate the advertising, labeling, distribution, sale, transportation, storage, or use of seeds. (b) A political subdivision may, by resolution, petition the State seed commissioner for a hearing.

PUBLIC LAW 43 - HOUSE ENROLLED ACT 1580 - EFFECTIVE JULY 1, 2005. FIREFIGHTERS AND VOLUNTEER EMERGENCY MEDICAL SERVICES. Adds IC 34-11-2-10.5 to provide an action brought by a volunteer: (1) firefighter; or (2) member of a volunteer emergency medical services association connected with a unit of government as set forth in IC 16-31-5-1(6); against the volunteer's political subdivision employer for being disciplined for being absent from employment while responding to an emergency must be commenced within one (1) year after the date of the disciplinary action, as provided in IC 36-8-12-10.5(e).

Also amends IC 36-8-12-10.5 to provide for the addition of volunteer member and section (d) to provide the political subdivision employer may require an employee who has been absent from employment as set forth in subsection (c)(1) or (c)(2) to present a written statement from the fire chief or other officer in charge of the volunteer fire department, or officer in charge of the volunteer emergency medical services association, at the time of the absence indicating that the employee was engaged in emergency firefighting or emergency activity at the time of the absence.

Also adds section (f) to provide a public servant who permits or authorizes an employee of a political subdivision under the supervision of the public servant to be absent from employment as set forth in subsection (c) is not considered to have committed a violation of IC 35-44-2-4(b).

Adds IC 36-8-12-10.9 The employer may require an employee who will be absent from employment as set forth in: (1) section 10.5(c)(1); or (2) section 10.7(b)(1); of this chapter to notify the employer before the scheduled start time for the absence from employment to be excused by the employer. The employer is not required to pay salary or wages to an employee who has been absent from employment as set forth in section 10.5(c) or 10.7(b) of this chapter for the time away from the employee's duty station. The employee may seek remuneration for the absence from employment by the use of: (1) vacation leave; (2) personal time; or (3) compensatory time off.

PUBLIC LAW 58 - SENATE ENROLLED ACT 14 - EFFECTIVE VARIOUS DATES. ELECTION LAW CHANGES

PUBLIC LAW 59 - SENATE ENROLLED ACT 63 - EFFECTIVE JULY 1, 2005. RAILROAD CORRIDORS. Amends IC 8-4.5-3-1 concerning the Department of Transportation in consultation with affected local agencies preparing a list of corridors for preservation.

PUBLIC LAW 62 - SENATE ENROLLED AT 149 - EFFECTIVE JULY 1, 2005. PUBLIC EMPLOYEES RETIREMENT FUND AND TEACHER'S RETIREMENT FUND. Amends IC 5-10.2-3 concerning annuity savings accounts. Also amends IC 5-10.3 and IC 21-6.1-3-1 adding the budget director or designee as an ex officio member of the boards.

Also amends IC 5-10.2-4-8 raising the exempt amounts for unreduced benefits.

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PUBLIC LAW 74 - SENATE ENROLLED AT 244 - EFFECTIVE JULY 1, 2005. DESIGN-BUILD PUBLIC WORKS PROJECTS. Adds IC 5-30-1-3 to provide Design-build contract means a contract between a public agency and a design-builder to furnish: (1) architectural, engineering, and related design services as required for a public project; and (2) labor, materials, and other construction services for the same public project.

Adds IC 5-30-1-11 to provide "Public agency" means: (2) a state educational institution (as defined in IC 20-12-0.5-1); (3) a unit (as defined in IC 36-1-2-23)

Adds IC 5-30-1-12 to provide in part, (a) "Public project" means the process of designing, constructing, reconstructing, altering, or renovating a public building, an airport facility, or another structure or improvement that is paid for out of: (1) a public fund; or (2) a special assessment. (b) The term includes either of the following: (1) A process described in subsection (a) relating to a building or structure leased by a public agency under a lease containing an option to purchase. (2) A public improvement to real property owned by a public agency.

Adds IC 5-30-2-2 to provide in part, before entering into a design-build contract under this article for a public project, the governing body of a public agency must adopt a resolution authorizing the use of the design-build contracting method for the public project. The resolution must identify the members of the technical review committee appointed under IC 5-30-4. The governing body must adopt the resolution at a public meeting for which public notice has been provided.

Adds IC 5-30-4-1 to provide in part, (a) Before entering into a design-build contract, a public agency must appoint a technical review committee of at least three (3) individuals. (b) The members of the technical review committee must include the following: (1) A representative of the public agency. (2) At least two (2) of the following, but not more than one (1) under each clause: (A) An architect registered under IC 25-4. (B) A professional engineer registered under IC 25-31. (C) A qualified contractor under IC 4-13.6. (c) A member of the technical review committee who is an architect or a professional engineer may be: (1) an employee of the public agency; or (2) an outside consultant retained by the public agency for the specific purpose of evaluating proposals submitted under this article. (d) The design criteria developer may serve as: (1) a full member; or (2) a nonvoting adviser; of the committee.

Adds IC 5-30-4-3 to provide in part, (a) The technical review committee shall do the following: (1) Qualify potential design-builders as provided in IC 5-30-5. (2) Rate and score qualitative proposals as provided in IC 5-30-6 and IC 5-30-7. (b) The technical review committee may interview persons submitting proposals and conduct other business necessary to fulfill the purposes of this article.

Makes various other provisions for the design-build process.

PUBLIC LAW 78 - SENATE ENROLLED ACT 332 - EFFECTIVE JULY 1, 2005. PLEDGE OF ALLEGIANCE. Adds IC 20-30-5-0.5 concerning the Pledge of Allegiance in classrooms.

PUBLIC LAW 89 - SENATE ENROLLED ACT 372 - EFFECTIVE JULY 1, 2005. TRANSFER TUITION. Amends IC 20-8.1-6.1-2 to provide in part: (b) If the transferor school corporation fails to act on the transfer request within thirty (30) days after the request is received, the transfer is considered approved.

Also amends IC 20-8.1-6.1-5 to provide in part: (d.) A student: (1) who is placed in a facility, a home, or an institution described in subsection (a), (b), or (c); and (2) for whom there is no other entity or person required to pay transfer tuition; may attend school in the school corporation in which the facility, home, or institution is located. The department shall conduct an investigation and determine whether any other entity or person is required to pay transfer tuition. If the department determines that no other entity or person is required to pay transfer tuition, the state shall pay the transfer tuition for the student out of the funds appropriated for tuition support. Similar changes are made to IC 20-26-11-5 and IC 20-26-11-8.

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PUBLIC LAW 91 – SENATE ENROLLED ACT 503 – EFFECTIVE JULY 1, 2005. SOCIAL SECURITY NUMBERS. Adds IC 4-1-10, IC 4-1-11 and IC 36-2-7.5 prohibiting State agencies from releasing social security numbers unless required by certain laws or court order.

PUBLIC LAW 103 - SENATE ENROLLED ACT 15 - EFFECTIVE JULY 1, 2005. ELECTION LAW CHANGES. Amends various chapters and sections of IC 3.

PUBLIC LAW 106 - SENATE ENROLLED 285 - EFFECTIVE JULY 1, 2005. SAFE SCHOOL'S COMMITTEE, SCHOOL BULLYING. Amends IC 5-2-10.1-2 concerning the Indiana Safe School's Fund need for educational outreach and training for school bullying. Also adds to IC 20-8.1 and IC 20-33 concerning bullying. Adds IC 5-2-10.1-12 concerning school corporations establishing a safe schools committee.

PUBLIC LAW 110 - SENATE ENROLLED ACT 569 - EFFECTIVE JULY 1, 2005. CHILD SAFETY GUIDELINES. Adds IC 16-19-3-6.5 concerning distribution of child safety guidelines to school corporations for various hazardous conditions by the State Department.

PUBLIC LAW 113 – SENATE ENROLLED ACT 18 – EFFECTIVE MAY 4, 2005. LOSS OF OFFICE. Amends IC 3-8-1-5 concerning forfeiture of office for conviction of a felony.

PUBLIC LAW 115 - SENATE ENROLLED ACT 49 - EFFECTIVE JULY 1, 2005. PROHIBITED SPYWARE. Adds IC 24-4.8 concerning various computer issues. Prohibits certain uses of various spyware. Provides for procedures on civil action.

PUBLIC LAW 116 - SENATE ENROLLED ACT 54 - EFFECTIVE JULY 1, 2005. IMMUNITY OF ADVERTISERS OR SPONSORS. Provides for immunity for advertisers or sponsors under certain circumstances including educational programs.

PUBLIC LAW 117 - SENATE ENROLLED ACT 64 - EFFECTIVE MAY 4, 2005. LIBRARY AND HERITAGE STUDY COMMITTEE. Adds a noncode provision creating the Committee.

PUBLIC LAW 119 - SENATE ENROLLED ACT 179 - EFFECTIVE JULY 1, 2005. VACANCIES CAUSED BY DEATH.

Adds IC 5-8-1 and IC 5-8-6 concerning notice on the death of an office holder.

Adds IC 20-5-3-3.5 to provide in part, (c) If a vacancy in a school board office exists because of the death of a school board member, the remaining members of the governing body shall meet and select an individual to fill the vacancy after the secretary of the governing body receives notice of the death under IC 5-8-6 and in accordance with section 3 of this chapter. A similar provision is added to IC 20-26-4-4.5.

PUBLIC LAW 128 – SENATE ENROLLED ACT 322 – EFFECTIVE MAY 4, 2005. DEFENSE EXPENSE. Adds IC 36-1-17-2 to provide in part, a unit or municipal corporation may not pay the legal expenses incurred by an officer or employee of the unit or the municipal corporation: (1) in defending against: (A) a criminal action; (B) a civil action brought by the attorney general of the United States, a United States attorney, the attorney general of Indiana, or an Indiana prosecuting attorney under: (i) IC 34-24-1; (ii) IC 34-24-2; (iii) IC 34-24-3; (iv) IC 5-11-5; (v) IC 5-11-6; (vi) IC 5-13-6; (vii) IC 5-13-14-3; or (viii) 18 U.S.C. 1964; or (C) a proceeding to enforce an ordinance or a statute defining an infraction; or (2) who is the target of a grand jury investigation, if the scope of the investigation includes a claim that the officer or employee committed a criminal act.

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PUBLIC LAW 128 – SENATE ENROLLED ACT 322 – EFFECTIVE MAY 4, 2005. DEFENSE EXPENSE. (Continued)

Adds IC 36-1-17-3 to provide in part, an officer or employee of a unit or municipal corporation who is charged with: (1) a crime; or (2) an infraction; relating to an act that was within the scope of the official duties of the officer or employee may apply to the fiscal body of the unit or municipal corporation for reimbursement of reasonable and customarily charged expenses incurred in the officer's or employee's defense against those charges, if all charges have been dismissed or the officer or employee has been found not guilty of all charges. The fiscal body of the unit or municipal corporation shall reimburse the officer or employee for reasonable and customarily charged expenses, as determined by the fiscal body of the unit or municipal corporation, incurred in the officer's or employee's defense against those charges, if all charges have been dismissed or the officer or employee has been found not guilty of all charges.

PUBLIC LAW 136 - SENATE ENROLLED ACT 539 - EFFECTIVE JULY 1, 2005. ACCESSIBLE ELECTRONIC INFORMATION SERVICE. Adds IC 4-23-7.1-40.5 to provide for agreements with political subdivision and the State Library to provide accessible electronic information service for eligible individuals.

PUBLIC LAW 150 - SENATE ENROLLED ACT 140 – EFFECTIVE MAY 5, 2005. CHARITY GAMING. Adds and amends various provisions in IC 4 concerning charity gaming regulations by the Department of Revenue.

PUBLIC LAW 165 – SENATE ENROLLED ACT 509 – EFFECTIVE VARIOUS DATES. PUBLIC PURCHASES. Adds IC 5-22-3-7 to provide concerning the statutory telephone solicitation provisions (a) This section applies to every use of funds by a governmental body. However, this section does not apply to a contract in which one (1) party is a political subdivision, including a body corporate and politic created by or authorized by a political subdivision.

PUBLIC LAW 169 - SENATE ENROLLED ACT 598 - EFFECTIVE MAY 6, 2005 AND JULY 1, 2005, 2005. CHARTER SCHOOLS. Adds to the provisions of IC 20-5.5 concerning charter schools and charter school reporting.

PUBLIC LAW 177 - HOUSE ENROLLED ACT 1137 - EFFECTIVE JULY 1, 2005. OFFICE OF TECHNOLOGY. Adds IC 4-13.1 to create the Office of Technology to among other duties provide services that may be requested by a political subdivision.

Also amends IC 6-1.1-4-25 concerning electronic property assessment records to the Department of Local Government Finance.

PUBLIC LAW 193 - SENATE ENROLLED ACT 1 - EFFECTIVE VARIOUS DATES. TAXATION. Amends and adds to various sections of IC 6 concerning taxation and deductions.

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PUBLIC LAW 199 - SENATE ENROLLED ACT 496 - EFFECTIVE VARIOUS DATES AND JULY 1, 2005. REPORTS CONCERNING BONDS AND LEASES OF POLITICAL SUBDIVISIONS. BUDGETS. Adds IC 5-1-18 concerning the Department of Local Government Finance to provide a political subdivision that issues bonds or enters into a lease after December 31, 2005, shall supply the Department of Local Government Finance with information concerning bond issues or leases within twenty (20) days after the issuance of the bonds or execution of the lease.

IC 5-1-18-7 (a) Except as provided by subsection (b), the bond issue information required by section 6 of this chapter must be submitted on a form prescribed by the department and must include: (1) the par value of the bond issue; (2) a schedule of maturities and interest rates; (3) the purposes of the bond issue; (4) the itemized costs of issuance information, including fees for bond counsel, other legal counsel, underwriters, and financial advisors; (5) the type of bonds that are issued; and (6) other information as required by the department. A copy of the official statement and bond covenants, if any, must be supplied with this information.

IC 5-1-18-8 (a) Except as provided by subsection (b), The lease information required by section 6 of this chapter must be submitted on a form prescribed by the department and must include: (1) the term of the lease; (2) the annual and total amount of lease rental payments due under the lease; (3) the purposes of the lease; (4) the itemized costs incurred by the political subdivision with respect to the preparation and execution of the lease, including fees for legal counsel and other professional advisors; (5) if all or part of the lease rental payments are used by the lessor as debt service payments for bonds issued for the acquisition, construction, renovation, improvement, expansion, or use of a building, structure, or other public improvement for the political subdivision: (A) the name of the lessor; (B) the par value of the bond issue; and (C) the purposes of the bond issue; and (6) other information as required by the department.

(b) The department may establish a procedure that permits a political subdivision or a person acting on behalf of a political subdivision to transfer all or part of the information described in subsection (a) to the department in a uniform format through the Internet or other electronic means, as determined by the department.

IC 5-1-18-9 Each political subdivision that has any outstanding bonds or leases shall submit a report to the department before March 1 of 2006 and each year thereafter that includes a summary of all the outstanding bonds of the political subdivision as of January 1 of that year.

IC 5-1-18-11 Information submitted to the department under this chapter is a public record that may be inspected and copied under IC 5-14-3.

Also amends various sections of IC 6-1.1 concerning assessment and budget procedures.

PUBLIC LAW 207 – SENATE ENROLLED ACT 609 – EFFECTIVE VARIOUS DATES - TAX DISTRIBUTIONS. Amends and adds various provisions in IC 6 concerning the formula for tax distributions to civil units and school corporations.

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PUBLIC LAW 208 – HOUSE ENROLLED ACT 1033 – EFFECTIVE VARIOUS DATES – BROWNFIELDS, UNDERGROUND STORAGE TANKS. Amends provisions in IC 6, IC 13 and IC 34 concerning liability of political subdivisions pertaining to Brownfields, underground storage tanks, and hazardous substances.

PUBLIC LAW 214 - HOUSE ENROLLED ACT 1120 - EFFECTIVE VARIOUS DATES – RETIREMENT OR SEVERANCE LIABILITY, PUBLIC SCHOOL FOUNDATIONS, INDIANA STADIUM AND CONVENTION BUILDING AUTHORITY. Adds IC 5-1-17 to establish a new building authority for construction and financing of a new NFL Stadium. Provides the option of the funding by food and beverage taxes in surrounding areas.

Retirement or Severance Liability

Adds IC 21-2-21–1.8 to provide in part (b) This section applies to each school corporation that: (1) did not issue bonds under IC 20-5-4-1.7 before its repeal; or (2) issued bonds under IC 20-5-4-1.7 before April 14, 2003. (c) In addition to the purposes set forth in section 1 of this chapter, a school corporation described in subsection (b) may issue bonds to implement solutions to contractual retirement or severance liability. The issuance of bonds for this purpose is subject to the following conditions: (1) The school corporation may issue bonds under this section only one (1) time. (2) The school corporation must issue the bonds before July 1, 2006. (3) The solution to which the bonds are contributing must be reasonably expected to reduce the school corporation's unfunded contractual liability for retirement or severance payments as it existed on June 30, 2001. (4) The amount of the bonds that may be issued for the purpose described in this section may not exceed: (A) two percent (2%) of the true tax value of property in the school corporation, for a school corporation that did not issue bonds under IC 20-5-4-1.7 before its repeal; or (B) the remainder of: (i) two percent (2%) of the true tax value of property in the school corporation as of the date that the school corporation issued bonds under IC 20-5-4-1.7; minus (ii) the amount of bonds that the school corporation issued under IC 20-5-4-1.7; for a school corporation that issued bonds under IC 20-5-4-1.7 before April 14, 2003. (5) Each year that a debt service levy is needed under this section, the school corporation shall reduce the total property tax levy for the school corporation's transportation, school bus replacement, capital projects, or art association and historical society funds in an amount equal to the property tax levy needed for the debt service under this section. The property tax rate for each of these funds shall be reduced each year until the bonds are retired. (6) The school corporation shall establish a separate debt service fund for repayment of the bonds issued under this section. (d) Bonds issued for the purpose described in this section shall be issued in the same manner as other bonds of the school corporation. (e) Bonds issued under this section are not subject to the petition and remonstrance process under IC 6-1.1-20 or to the limitations contained in IC 36-1-15.

Public School Foundations

Adds IC 20-26-5-22.5 to provide (a) A school corporation may participate in the establishment of a public school foundation. (b) The governing body of a school corporation may receive the proceeds of a grant, a restricted gift, an unrestricted gift, a donation, an endowment, a bequest, a trust, an agreement to share tax revenue received by a city or county under IC 4-33-12-6 or IC 4-33-13, or other funds not generated from taxes levied by the school corporation to create a foundation under the following conditions: (1) The foundation is: (A) exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code; and (B) organized as an Indiana nonprofit corporation for the purposes of providing educational funds for scholarships, teacher education, capital programs, and special programs for school corporations. (2) Except as provided in subdivision (3), the foundation retains all rights to a donation, including investment powers. The foundation may hold a donation as a permanent endowment. (3) The foundation agrees to do the following: (A) Distribute the income from a donation only to the school corporation. (B) Return a donation to the general fund of the school corporation if the foundation: (i)

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Public School Foundations (Continued)

loses the foundation's status as a foundation exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code; (ii) is liquidated; or (iii) violates any condition set forth in this subdivision. (c) A school corporation may use the proceeds received under this section from a foundation only for educational purposes of the school corporation described in subsection (b)(1)(B). (d) The governing body of the school corporation may appoint members to the foundation. (e) The treasurer of the governing body of the school corporation may serve as the treasurer of the foundation.

PUBLIC LAW 216 – HOUSE ENROLLED ACT 1182 – EFFECTIVE JULY 1, 2005. TAX INCREMENT FINANCING (TIF) AREAS. Amends IC 6-1.1 extending deadlines for creation of TIF areas from December 31, 2005 to December 31, 2011.

PUBLIC LAW 218 - HOUSE ENROLLED ACT 1314 - EFFECTIVE JULY 1, 2005. POSTSECONDARY CREDITS AND CONTRACTS. Adds IC 20-30-11-10.5 to provide if a student enrolls in a course offered by an eligible institution under the program, the institution and the student's school corporation shall enter into a contract for dual credit. The contract must establish the terms and conditions under which: (1) the institution will award credit for specified classes successfully completed by students in the school corporation; and (2) the school corporation will award credit for specified classes successfully completed by students at the institution.

PUBLIC LAW 220 - HOUSE ENROLLED ACT 1394 - EFFECTIVE JULY 1, 2005. DEFERRED COMPENSATION PLANS. Amends IC 5-10-1.1-7 to allow a political subdivision to offer employees both the state employees' deferred compensation plan (State plan) and a deferred compensation plan that is adopted by the political subdivision and uses one or more private vendors.

PUBLIC LAW 221 HOUSE ENROLLED ACT 1407 EFFECTIVE VARIOUS DATES – ELECTIONS. Adds and amends various sections in IC 3 concerning elections.

PUBLIC LAW 222 - HOUSE ENROLLED ACT 1501 – EFFECTIVE MAY 11, 2005 AND JULY 1, 2005. INSPECTOR GENERAL. Adds IC 5-11-5.5 to authorize the creation of an Inspector General pertaining to State Government.

PUBLIC LAW 228 - SENATE ENROLLED ACT 327 - EFFECTIVE VARIOUS DATES - ASSESSING. Amends and adds to various sections of IC 6-1.1 concerning assessing and assessing training and delays the next general reassessment to 2009.

Amends IC 6-1.1-21.8–4 to provide (b) a loan made under this chapter shall be repaid only from: (1) property tax revenues of the qualified taxing unit that are subject to the levy limitations imposed by IC 6-1.1-18.5 or IC 6-1.1-19; (2) in the case of a school corporation, the school corporation's debt service fund; or (3) any other source of revenues (other than property taxes) that is legally available to the qualified taxing unit. The payment of any installment of principal constitutes a first charge against the property tax revenues described in subdivision (1) that are collected by the qualified taxing unit during the calendar year the installment is due and payable.

Requires Department of Local Government Finance review of budget by fund with certain exceptions.

Allows Department of Local Government to withhold county unit property tax replacement credits for various reasons.

PUBLIC LAW 229 - SENATE ENROLLED ACT 335 - EFFECTIVE JULY 1, 2005. OFFICE OF TOURISM DEVELOPMENT. Adds IC 5-2.9 to create the Office of Tourism Development which may cooperate with local governments in the coordination programs to promote tourism.

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PUBLIC LAW 230 – SENATE ENROLLED ACT 341 – EFFECTIVE VARIOUS DATES. ELECTIONS. Amends several sections in IC 3 concerning elections.

PUBLIC LAW 231 - SENATE ENROLLED ACT 397 - EFFECTIVE JULY 1, 2005. VARIOUS EDUCATION MATTERS. Amends various sections of IC 20 including IC 20-37-1-1 a provide designated representatives of the school corporation constitute a board for the management of the vocational cooperative.

PUBLIC LAW 243 - SENATE ENROLLED ACT 127 - DAYLIGHT SAVINGS TIME. Adds IC 1-1-8.1-3 placing the State under daylight savings time starting in 2006.

PUBLIC LAW 246 - HOUSE ENROLLED ACT 1001 - EFFECTIVE JULY 1, 2005. STATE BUDGET PROVISIONS. Provides for distributions to school corporations and other political subdivisions.

Amends IC 5-10.2 concerning certain public employee retirement payments.

Amends IC 5-22-21-7 to provide except as provided in section 7.5 of this chapter, surplus property available for sale may, under the policies prescribed by the budget agency, be offered for sale to political subdivisions. The policies of the budget agency must require that if the property is in the possession of the Indiana department of transportation and is to be offered to political subdivisions, the commissioner shall notify each supervisor of county highways appointed under IC 8-17-3-1 of the sale. Sections (b) the through (e) are eliminated.

Amends IC 5-22-21-7.5 to provide (d) Surplus computer hardware available for sale may, under the policies prescribed by the budget agency, be offered to an educational entity.

Amends IC 5-30-1-11 to define a Public agency also includes a school corporation (as defined in IC 20-26-2-4).

Adds IC 6-1.1-20.4 concerning local homestead credits.

Also adds IC 6–1.1-20.6 concerning credit for excess residential property taxes and a county fiscal body adopting an ordinance prior to July 1, to authorize the application of the credit under this chapter for one or more calendar years to qualified residential property in the county.

Also amends IC 6-1.1-21.8-4 concerning State rainy day fund loan repayments and the school corporation's debt service fund.

Amends IC 20-20-13-18 to provide: A school corporation must use a grant received under sections 13 through 24 of this chapter to implement all or part of the school corporation's technology plan by funding uses that promote 1:1 computing infrastructure, include the following: (1) Computers in classrooms. (2) Computers for teachers. (3) E-learning. (4) Wiring infrastructure to support 1:1 computing. (5) Technical support. (6) Wide area networks and local area networks necessary to support 1:1 computing. (7) Infrastructure software. (8) Assistive technology devices for students with disabilities in 1:1 computing environment. (9) Other uses of technology approved by the department of education.

Amends IC 20-24-7-11 concerning charter school funding.

Amends IC 21-2-4-2 concerning a school corporation debt service fund to add item (7) all unreimbursed costs of textbooks for the school corporation's students who were eligible for free or reduced lunches in the previous school year. Also adds The governing body may transfer the amount levied to cover unreimbursed costs of textbooks under subdivision (7) to the textbook rental fund or extracurricular account. Incorporates the provisions in IC 21-2-4-3.

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PUBLIC LAW 246 - HOUSE ENROLLED ACT 1001 - EFFECTIVE JULY 1, 2005. STATE BUDGET PROVISIONS. (CONTINUED)

Amends IC 21-2-5.6-3 item (4) concerning a school board being authorized to transfer money from the capital projects fund to the self-insurance fund, to the extent that money in the capital projects fund may be used for property or casualty insurance.

Amends IC 21-2-11-4 to provide (a) Any lawful school expenses payable from any other fund of the school corporation, including without limitation debt service and capital outlay, but excluding costs attributable to transportation (as defined in IC 21-2-11.5-2), may be budgeted in and paid from the general fund. However, after June 30, 2005, and before July 1, 2007, a school corporation may budget for and pay costs attributable to transportation (as defined in IC 21-2-11.5-2) from the general fund.

Amends (c) of IC 21-2-11-4(a) to provide this subsection applies only to the extent that the school corporation's transportation fund has not been increased under IC 21-2-11.5-3(b)(2) or another adjustment made by the department of local government finance to reflect the termination of state distributions for the school corporation's transportation fund. During the period beginning July 1, 2005, and ending June 30, 2007, the school corporation may transfer money in a fund maintained by the school corporation (other than the special education preschool fund (IC 21-2-17-1) or the school bus replacement fund (IC 21-2-11.5-2)) that is obtained from: (1) a source other than a state distribution or local property taxation; or (2) a state distribution or a property tax levy that is required to be deposited in the fund; to any other fund. A transfer under subdivision (2) may not be the sole basis for reducing the property tax levy for the fund from which the money is transferred or the fund to which money is transferred.

Money transferred under this subsection may be used only to pay costs, including debt service, attributable to reductions in funding for transportation distributions under IC 21-3-3.1, including reimbursements associated with transportation costs for special education and vocational programs under IC 21-3-3.1-4, and ADA flat grants under IC 21-3-4.5 (repealed). The property tax levy for a fund from which money was transferred may not be increased to replace the money transferred to another fund. (d) The total amount transferred under subsection (c) may not exceed the following: (1) For the period beginning July 1, 2005, and ending June 30, 2006, the last state transportation distribution (as defined in IC 21-2-11.5-3). (2) For the period beginning July 1, 2006, and ending June 30, 2007, an amount equal to the subdivision (1) amount.

Amends IC 21-2-11.5-3 concerning levies for 2006 and 2007 and the determination of school transportation fund monies.

Adds IC 21-2-11.6-4 concerning referendum tax levies allowing school corporations adopting resolutions prior to September 21, 2005 to transfer the power to levy pre 2002 referendum levies from the general fund to the referendum fund.

IC 21-2-15-4 (l) concerning a capital projects fund is amended to provide: This subsection applies during the period beginning January 1, 2006, and ending December 31, 2007. Money from the fund may be used to pay for up to one hundred percent (100%) of the following costs of a school corporation: (1) Utility services. (2) Property or casualty insurance. (3) Both utility services and property or casualty insurance. A school corporation's expenditures under this subsection may not exceed in 2006 two and seventy-five hundredths percent (2.75%) and in 2007 three and five-tenths percent (3.5%) of the school corporation's 2005 calendar year distribution.

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PUBLIC LAW 246 - HOUSE ENROLLED ACT 1001 - EFFECTIVE JULY 1, 2005. STATE BUDGET PROVISIONS. (CONTINUED)

Amends IC 21-3-1.7-9.8 to provide effective January 1, 2006 in part, (b) An amount received by a school corporation as an honors diploma award may be used only for: (1) any: (A) staff training; (B) program development; (C) equipment and supply expenditures; or (D) other expenses; directly related to the school corporation's academic honors diploma program; and (2) the school corporation's program for high ability students. (c) A governing body that does not comply with this section for a school year is not eligible to receive an award under this section for the following school year. The amount to be used for the calculation of the honors diploma will be \$900.

Transfers effective July 1, 2005 the powers and duties of the Professional Standards Board to the Department of Education.